

Identity theft: The act of stealing your good name to commit fraud.

WAYS TO STEAL YOUR IDENTITY:

- ◆ Stolen or lost wallet
- ◆ Fraudulently accessing your credit report by posing as an employer, loan officer, or landlord
- ◆ "Shoulder surfing" at automated teller machines (ATMs) and phone booths to capture your personal identification numbers (PINs)
- ◆ Stealing mail from mailboxes to get newly issued credit cards, bank and credit card statements, pre-approved credit offers, and tax information
- ◆ Going through trash bins for credit card and loan applications

HERE'S HOW TO GUARD AGAINST IT:

Before revealing personal identifying information, find out how it will be used and if it will be shared with others. Ask if you have a choice about the use of your information: can you choose to have it kept confidential?

Pay attention to your billing cycles. Follow up with creditors if bills do not arrive on time.

Give your Social Security number only when absolutely necessary. Ask to use other types of identifiers when possible.

Minimize the identification information and the number of cards you carry to what you actually need. If your I.D. or credit cards are lost or stolen, notify the creditors by phone immediately, and call the credit bureaus to ask that a "fraud alert" be placed in your file.

Order a copy of your credit report from the three credit reporting agencies every year. Make sure it's accurate and includes only those activities you've authorized.

Keep items with personal information in a safe place; tear them up when you don't need them anymore. Make sure charge receipts, copies of credit

applications, insurance forms, bank checks and statements, expired charge cards, and credit offers you get in the mail are disposed of appropriately.

Carefully review your credit card statements and phone bills each month. Immediately report any discrepancies to the companies.

Be aware of others when using an ATM or phone card. Shield your hand when entering your PIN.

If your state uses your Social Security Number as your driver's license number, ask the department of motor vehicles if another number can be used instead.

Never give out your credit card or bank account information over the phone unless you're familiar with the business and have initiated the call.

When creating passwords and PINs, avoid using your birth date, the last four digits of your Social Security Number or your phone number, or a series of consecutive numbers.

Individuals whose identities are stolen suffer in many ways - the least of which is their ruined credit ratings. Some have lost jobs and promotions; some run up thousands of dollars in phone expenses trying to erase fraudulent charges and stop new ones; some end up with criminal records created by their impostors; others have even been jailed.

The Secret Service, which tracks major ID theft cases, says the dollar value of cases it follows has nearly doubled in the last year. In fiscal 1997, identity fraud cost \$745 million vs. \$450 million in 1996.

IF YOUR WALLET IS LOST OR STOLEN:

1. **File a report with the police immediately.** Get a copy in case your bank, credit card company or insurance company need proof of the crime.
2. **Cancel each credit and charge card.** Get new cards with new account numbers.
3. **Report missing cards to the major credit reporting agencies.** Ask them to flag your

accounts and add a "victim's statement" to your file. Major credit reporting agencies:

Equifax 800-685-1111, <http://www.equifax.com> -
TransUnion 800-916-8800, <http://www.tuc.com> -
Experian 888-397-3742, <http://www.experian.com>.

4. **Report the loss to your bank.** Cancel checking and savings accounts and open new ones. Stop payments on outstanding checks. Get a new ATM card, account number and password. Do not use the last four digits of your Social Security number, your street address, or your birth date as a password.
5. **Call your utilities**, including your phone company. Tell them that someone may try to get new service using your identification.
6. **Report your missing driver's license** to the department of motor vehicles. Get a new number that's not your Social Security Number.
7. **Change the locks on your home and car if your keys were taken.** Don't give an identity thief access to even more personal property and information.
8. **Notify the Federal Trade Commission.** Under the 1998 Identity Theft and Assumption Deterrence Act, the FTC will maintain a database of identity theft and refer complaints to the appropriate authorities.

Do not pay any bill or a portion of a bill that results from identity theft. Also, do not cover any checks that were written or cashed as fraudulently. As long as you have notified the authorities, your credit rating should not be permanently affected.

NEW LAW INTENDED TO STEM INCREASE IN IDENTITY FRAUD

A new law signed October 30, 1998 by President Clinton promises to crack down on the growing crime of identity fraud. The Identity Theft and Assumption Deterrence Act of 1998 recognized people as victims of a crime and, for the first time, gives them the right to file police reports and recoup their damages.

It also stiffens prison sentences for impostors, making the crime of posing as another person for economic gain - as well as to hide criminal activity - a felony punishable with prison sentences ranging from 3 to 25 years. It appoints a federal agency - the Federal Trade

Commission - to serve as an advocate for victims; helping them find the right law enforcement agency to prosecute their case and aiding their quest to fix the devastation that ID theft can wreak.

The new law should make it easier to get police to take identity theft seriously and to get erroneous items eliminated from credit and police reports.

IF YOU'RE A VICTIM

First, file a report with your local police or the police in the community where the identity theft took place. Get a copy of the police report in case the bank, credit card company or others need proof of the crime.

Second, report identity fraud to the following credit bureaus fraud departments.

At the same time, ask the credit bureaus for copies of your credit reports. Credit bureaus must give you a free copy of your report if your report is inaccurate because of fraud. Review your reports carefully to make sure no additional fraudulent accounts have been opened in your name or unauthorized charges made to your existing accounts. Also, check the section of your report that list "inquiries." In a few months order new copies of your reports to verify your corrections and changes and to make sure no new fraudulent activity has occurred.

Third, contact the creditors for any accounts that have been tampered with or opened fraudulently. Ask to speak with someone in the security or fraud department of each creditor and follow up with a letter.

Close any existing accounts and open new ones and ask that a password be used before any inquiries or changes can be made on the account. Avoid using easily available information like your mother's maiden name, your birth date, the last four digits of you SSN, or your phone number.

If you've been a victim of identity theft, file a complaint with the FTC by contacting the FTC's Identity Theft Hotline: toll free 1-877-438-4338 or by mail to Identity Theft Clearinghouse, FTC, 600 Pennsylvania Avenue, NW, Washington DC 20580, www.consumer.gov/idtheft.

The Indiana Department of Financial Institutions, Division of Consumer Credit has many other credit related brochures available, such as:

Advance Fee Loan Scams
Answers to Credit Problems
Applying for Credit
At Home Shopping Rights
Auto Leasing
Auto Service Contracts
Automatic Debit Scams
Bankruptcy Facts
Buried in Debt
Car Financing Scams
Charge Card Fraud
Choosing A Credit Card
Co-Signing
Credit and Divorce
Deep in Debt?
Equal Credit Opportunity
Fair Credit Reporting
Fair Debt Collection
Gold Cards
Hang up on Fraud
High Rate Mortgages
Home Equity Credit Lines
How to Avoid Bankruptcy
Look Before you Lease
Mortgage Loans
Older Consumers
Repossession
Reverse Mortgage Loans
Rule of 78s – What is it?
Shopping for Credit
Using Credit Cards
Variable Rate Credit
What is a Budget?
What is the DFI?

Call our toll-free number or write to the address on the cover for a copy of any of the brochures listed or for further consumer credit information.



IDENTITY THEFT

IDENTIFICATION CARD

Name_____

Address_____

City, State, Zip_____

Phone_____

Social Security #_____

In case of emergency, please notify

Name_____

Phone_____

DEPARTMENT OF FINANCIAL INSTITUTIONS

Consumer Credit Division
30 South Meridian Street, Suite 300
Indianapolis, Indiana 46204
317-232-3955
1-800-382-4880

